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NABARD package to promote dairy entrepreneurship in Tirupur

R. Vimal Kumar

It will be more attractive than Dairy Venture Capital Fund

The new scheme covers additional components

Tirupur: Setting up modern dairy farms can be a viable option for farmers in the district who are struggling hard for value addition, if they can succeed in capitalising the increasing demand for clean milk and other dairy products.

To help the farmers, the National Bank for Agriculture and Rural Development (NABARD) is all set to extend its new product that offers attractive subsidies which extend beyond the conventional financial assistances restricted to cattle rearing component alone.

“This new package has salient features embedded into it based on the ground-level feedbacks, with focus on promotion of entrepreneurship in setting up modern dairy farms with cold storage facilities and development of good breeding stock, among others, making it much more attractive than our earlier ‘Dairy Venture Capital Fund’ (DVCF) scheme,” NABARD officials told The Hindu.

Under the new product, 'Dairy Entrepreneurship Development Scheme' (DEDS), even farmers coming under the Operation Flood (OF) areas would be given assistance to raise the requisite capital unlike in the case of DVCF.

Likewise, the new scheme covers additional components like dairy parlour, vermin compost structures alongside milch animal unit and Heifer calf rearing.

NABARD sources said that the farmers could get 25 per cent of the project outlay as back-ended capital subsidy (33.3 per cent for Scheduled Castes/Scheduled Tribes beneficiaries) in the case of dairy units subjected to a ceiling of Rs. 1.25 lakh for a unit of 10 animals.

For rearing of Heifer calves (up to 20 calves), subsidy assistance would be a maximum of Rs. 1.20 lakh.

To support creation of cold storage facilities for milk and milk products, the farmers would be extended subsidy up to Rs. 7.5 lakh (Rs. 10 lakh for Scheduled Castes/Scheduled Tribes farmers) for every unit costing Rs. 30 lakh.

The minimum lock-in period of the back-ended capital subsidy would be three years.

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Registration of goat breeders under way

Staff Reporter

DINDIGUL: The Department of Animal Husbandry has started registering the names of sheep and goat breeders to make them members of Goat and Sheep Breeders Welfare Board to enable them to avail themselves of various schemes and benefits offered by the government, according to a release here on Tuesday.

Eligible

Those who have been rearing goats for the past five years are eligible to become a member of the board.

He or she should have completed 18 years of age and should not exceed 65 years.

Moreover, the applicants should not be a member in any other welfare boards. Those interested may approach the officials at the Department of Veterinary Science in Dindigul for further details, the released added.

Established

The State Government had established the Sheep and Goat Breeders Welfare Board recently for the welfare of the shepherds.

Date:28/10/2010 URL: <http://www.thehindu.com/2010/10/28/stories/2010102861020600.htm>

“Preserve environment through natural farming”

Staff Reporter

MADURAI: India should lead the world in preserving the ecology through practice of natural farming, said S. Nammalvar, a promoter of natural farming.

Addressing a seminar on “Degradation of Environment and Solutions,” organised by Tamil Nadu IAMWARM here on Wednesday, Mr. Nammalvar said that the West promoted chemical fertilizers in India to sell their produce. “In the name of green revolution, vast tract of land in the country has been rendered arid,” he said.

The country that gave hundreds of lakhs of rupees subsidy for chemical fertilizers should instead give one cow, two goat/sheep and five hens to each farmer to promote natural farming.

Stating that farmers were complaining that natural farming was not a profitable venture, Mr. Nammalvar said the consumption of food produced through natural farming had the advantages of not causing serious health implications. Food processing across the country used 150 types of poisonous metals as preservatives, he said. He blamed pollution from industries and vehicles and deforestation for global warming.

“The US and the European countries were the major culprits causing global warming,” he pointed out. He wanted the farmers to grow more trees to mitigate the impact of global warming.

Pointing out that many species had vanished due to pollution, Mr. Nammalvar said sparrows were killed by the food grains produced using chemical fertilizers.

“It also killed the cattle heads. Even vultures that fed on the dead cattle died,” he said.

“Our fertilizers killed many birds, spider and the dragon flies that fed on mosquitoes,” Mr. Nammalvar said.

Deputy Chief Engineer, Public Works Department, Madurai region, T. Arul Santhiappan, Executive Engineer, Periyar-Vaigai Basin Circle, S. Vijayakumar, Assistant Professor, Thiagarajar College of Engineering, S. Chandran, Executive Engineer, PWD Environmental Cell Division, M. Selvarajan, Assistant Executive Engineer, Karunakaran, and Assistant Engineer, Ayyapparaja, spoke.

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Northeast monsoon delay worries Ramanathapuram farmers

C. Jaishankar

RAMANATHAPURAM: The northeast monsoon, which has to become active over Ramanathapuram district in the second or third week of October, is yet to be started, causing concern among farmers.

The delay has dampened the spirit of farmers in Ramanathapuram, one of the districts in the State dependent on rain-fed cultivation in the absence of established system or well irrigation. As per the practice and anticipating good rain in the third week of October, farmers have brought more than 1.10 lakh hectares under paddy cultivation by direct sowing method.

The pre-monsoon showers in the first and second week of October enthused the farmers to bring their paddy field under cultivation.

There are reports that paddy crop, which is about two to four weeks old, has started withering in many areas, causing concern to the farmers.

Except a few areas, the same situation is prevailing in almost all parts of the district, including R.S. Mangalam, Thiruvadanai and Mudukulathur areas.

As per the records of Agriculture Department, as against the normal rainfall of 181.6 mm in the month of October, the district has so far received 94.52 mm.

“The paddy crops are badly in need of rain. We are looking at the sky for rain. We are very much worried about the prospects of the standing crop,” said K. Sellammal of Ettivayal near here.

Ms. Sellammal added that many farmers did not bother to clear the weeds as they wanted to wait for two or three days. If there was no rain for a week, they would abandon the cultivation. However, agricultural officers express the hope that the northeast monsoon may set in over the district in the next 2 to 3 days.

N. Sathiamoorthy, Joint Director of Agriculture, told The Hindu that though a similar situation prevailed in the same period last year, the agricultural operation got a boost, owing to the rain in last three days of October. Possibilities were that the northeast monsoon would start within a few days.

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Training programme to promote floriculture

Staff Reporter

Efforts are being made to establish a flower 'mandi' in silk city

BERHAMPUR: Ganjam District Flower Growers' Association (GDFGA) has decided to hold block-level capacity building and awareness enhancement training programmes to promote floriculture.

The training programmes would be held in nine blocks of the district. The first of it would be held at Ralaba of Hinjli block on Thursday. The block-level programmes would be held at different places till Nov 19. The other blocks where it would be initiated are Kukudakhandi, Chatrapur, Purushottampur, Aska, Bhanjanagar, Belaguntha, Digaphandi, Rangeilunda. Secretary of GDFGA A.Sridhar Verma said they decided to hold the training programmes in villages which already have peasants involved in floriculture.

The project is being taken up with the help of Agricultural Technology Management Agency (ATMA) of Ganjam district. The main aim of these programmes would be streamlining of transportation and marketing network of flowers produced in rural areas of Ganjam district. It is being enhanced before the production season during the winter. On normal days Ganjam district produces more than one ton of flowers. But during the season production reaches up to five tonnes per day. Efforts are on so that the flowers produced in rural areas could reach the 'Kusum Vatika' in Bhubaneswar either through the 'Mandi' in Berhampur or directly in proper time so that producers get best price. According to Mr Verma this would enable the rural flower growers to reach out to bigger markets for better profits with reduction of exploitation at the hands of middlemen. In a way it would promote floriculture in rural areas. He added that steps were also being initiated for establishment of a flower 'mandi' in the city.

Land for the flower 'mandi' has been identified near Ambapua on the outskirts of the city. It is envisioned to serve as a collection point of flowers from all corners of the district. As per the association a pre-cooling unit and solvent extraction unit can also be established in Orissa.

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<http://www.thehindu.com/thehindu/seta/2010/10/28/stories/2010102850291600.htm>

FARMER'S NOTEBOOK Empowering poor rural women to take charge of their future

M.J. PRABU

The two SHG's have so far generated an income of Rs 84,000

— Photo: Special arrangement



First time: One of the women's groups at a production centre.

Empowerment of rural women is one of the central issues in developing countries all over the world.

“Income generation for rural women is an important aspect in agriculture production. Unless rural women are not trained to be independent in terms of economic income a country cannot progress,” says Dr. M. Shivamurthy, Professor, Department of Agricultural Extension University of Agricultural Sciences (UAS), Gandhi Krishi Vigyan Kendra (GKVK), campus, Bangalore.

A scientist from GKVK, extension unit initiated a training programme for two self help women groups in Tumkur district, Karnataka. The Department of Biotechnology, Government of India funded the project from 2008.

Two SHG's

About 40 women in Gramdevathe Mahila Swasahaya Sanga group in Dodderi and Sri Rama Mahila Swasahaya Sanga group in Jayanagara villages in Madhugiri taluk of Tumkur district located in the southern part of the Karnataka underwent training in manufacturing a bio input called Trichoderma.

The self help groups' established two production units, producing about 1,200 kg of Trichoderma a year.

The group has so far generated an income of Rs 84,000 annually by selling the bio input at the rate of Rs 70 a kg.

According to Dr. Shivamurthy, majority of the women trained by the experts held less than two acres, lived in thatched houses, and worked as labourers. The training showcased how far womens' groups can perform successfully in terms of revenue generation by manufacturing their own bio input called Trichoderma, which is an efficient bio-control agent that offers great potential for effective management of diseases in fruits and vegetable crops without spoiling the environment.

First time

“For the first time in Karnataka this type of exercise is being initiated to inculcate the production techniques of a highly sophisticated biotechnology among illiterate schedule caste women,” says Dr. Shivamurthy.

Usually the big companies in agriculture, manufacture bio inputs for crops and sell them at a premium price for farmers. But these tribal women broke the trend as they started manufacturing and selling their own bio input at a comparatively lesser cost, according to him.

Encourages

“It also enhances the availability of fresh, quality bio-agents at lower cost by reducing the transaction cost for the benefit of farmers as further encourages several farmers to adopt biotechnologies in their field to protect their crops from diseases and reduce the use of chemical pesticides, which are harmful to the crop production environment,” he explains.

Two units

The two production centres also function as education centres for interested farmers and women from adjoining villages and are also being visited by bank officials, government agricultural extension workers, and several NGOs' according to Dr.Shivamurthy.

Marketing

“We also trained the women in marketing their products through progressive farmers, Krishi Vigyan Kendras (KVKs), research farms and seed dealers. A private seed company entered into an agreement with the groups in buying their products,” he says.

Barathiya Agro-Industries Foundation BAIF (BIRDK), an NGO, is also supporting these two SHGs' to market the bio input.

For more details contact Dr. M. Shivamurthy, Principal Investigator & Professor, Department of Agricultural Extension, UAS , GKVK, campus, Bangalore-560 065, email: murudaiah.shivamurthy@gmail.com and mobile: 09449044975.

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Symposium on climate change and plant diseases

A national symposium on 'Changing Plant Disease Scenario in Relation to Climate Change' was held recently at the Indian Institute of Spices Research (IISR) Kozhikode.

The two day symposium was jointly organised by the Indian Phytopathological Society, (IPS) South Zone and IISR.

Policy makers, farmers, researchers and members from all the agriculture and related fields should be taken into consideration while planning and executing programmes related to climate change, experts said.

Worst affected

India is the most affected country due to climate change. Temperature increase by 0.5 degree Celsius has lead to decrease of 0.45 tonnes of wheat per hectare and decrease of 25 to 30 per cent sugarcane yield per hectare.

There is a paradigm shift in nature, time and type of occurrence of viral and other diseases of various horticultural crops due to climate change.

There is a severe occurrence of Indian Cassava Mosaic Virus in Kerala due to shift in climate conditions and new report of African Cassava Mosaic Virus and SriLankan Cassava Mosaic Virus because of rise in temperature and carbon dioxide levels, according to plant pathologists.

Proper surveillance

Proper surveillance and monitoring is the only possible remedy to check new emerging diseases. The symposia also called for setting up of a forewarning system for managing crop diseases under changing climate. The seminar also expressed concern on climate change on food production especially in India. Experts, who raised their concerns over increase in disease incidence due to change in climate hope that powerful and cost effective diagnostic methods will help in detection of the pathogens easily. The symposia also called for development and popularisation of economical, ready to use virus detection kits among the farming community.

Post harvest losses

The speakers also pointed out that post harvest losses are more in India due to non availability of processing units and improper storage. The changed climatic conditions also require more appropriate cold storage facilities to avoid losses during storage of grains.

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<http://www.thehindu.com/thehindu/seta/2010/10/28/stories/2010102850311600.htm>

FARM QUERY

Growing rice on rooftop

What is the contact addresss of the person in Bangalore who has grown rice on rooftops using waste and rainwater harvesting?

Alok MukerjeePatna

Mr. S. Vishwanath from Bangalore has proved that paddy can be successfully grown on rooftops making use of grey water and wastewater. On a 400 sq. ft roof area one can raise 80 kg of rice in a year. For details you an contact Mr. S. Vishwanath at Rainwater Club, No. 1022,

6th Block, 1st Floor, HMT Layout, Vidyaranyapura Main Road, Vidyaranyapura, Bangalore - 560 097, phone080-41672790 , website: www.rainwaterclub.org, email: zenrainman@gmail.com , mobile: 9901992690. Readers are invited to send their queries with full postal address to `Farm Queries,' The Hindu, Kasturi Buildings, 859/860, Anna Salai, Chennai 600002 or email to farmqueries@thehindu.co.in

Published: October 27, 2010 21:06 IST | Updated: October 27, 2010 21:06 IST New Delhi, October 27, 2010

Sugar production to be 25 million tonnes in 2010-11: Pawar



The Hindu India will have surplus production of sugar, whereas there is a shortage the world over, Agriculture Minister Sharad Pawar said. File photo: K. Murali Kumar

Food and Agriculture Minister Sharad Pawar on Wednesday expressed confidence that sugar production in India would touch a record 25 million tonnes in the current sugar year, more than the country's requirement.

"On the sugar front too, the news this year is good with record plantation of sugarcane. I am confident of 250 lakh tonnes of sugar production this sugar year," Mr. Pawar said at the Economic Editors' Conference here.

For the first time, India will have surplus production of sugar, whereas there is a shortage the world over, he added. The sugar year runs from October to September.

Earlier, industry body Indian Sugar Mills Association (ISMA) had also pegged the country's sugar output at over 25 million tonnes in the 2010-11 crop year.

Sugar production in India, the world's second largest producer and the biggest consumer, was around 19 million tonnes in the sugar year ended September 2010, up from 14 million tonnes in the previous year.

Domestic demand for the sweetener in the country is pegged at 23 million tonnes in the current sugar year, which will lead to a situation where the country has surplus sugar output.

Mr. Pawar had earlier indicated that the government will consider allowing sugar exports after the Diwali festival, based on the overall demand-supply situation.

Although there is no official ban on sugar exports, the Food Ministry has not been giving export permits since 2009.

The government recently allowed mills to fulfil their export obligation of about 9,50,000 tonnes by March 2011.

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Food security: Start now, improve later

Oct 27 2010

Whatever the nature of the debates that it may provoke, the National Advisory Council headed by Congress president Sonia Gandhi has — apparently after contentious deliberation — produced a fairly detailed conceptual scheme that is expected to provide the basic inputs for framing the Food Security Bill due to come up in Parliament shortly. The food security provision for the poor is UPA-2's big-ticket social sector project just as the NREGS had been the chief anti-poverty measure in UPA's first term in office. The NREGS had led to two broad discussions: who will foot the bill, and will it provide universal or cent per cent coverage to all the poor in the country? Fortunately, the country did not permit itself to be derailed by voices of concern on these points. Eventually, it turned out that NREGS — although it is implemented in a

slipshod way and is shot through with corruption, especially in the poorly administered states of the country — actually put some money in the hands of the rural poor throughout India, and this went on to boost aggregate demand in the system and was a factor that saw the country out of a threatened economic trough in the wake of the worldwide recession that is still plaguing leading Western economies. In the end, NREGS came to be perceived as beneficial to our economic system, whatever the initial anxieties, although some continue to voice a few worries.

The ideological maximalists too were harsh with their criticism of the NREGS proposal that had been first mooted. The scheme sought to cover only 100 districts in India to begin with, and those that spoke in the name of the poor suggested that this was too feeble and was tokenism by another name. Life has shown this not to be the case, although there are deficiencies galore in implementation. The criticism of those who desire the best straightaway has already begun to be attracted by the NAC's food security proposal. Prof. Jean Dreze, a leading light of the NAC who has done laudable theoretical and empirical work on the state of the country's poor, has distanced himself from this proposal, saying that he would have liked universal coverage. This conveys the idealist's dream, and is not the pragmatist's method.

The latter believes that it is best to get started and try and improve in the light of experience. Thus the so-called "consensus" that the NAC has produced on food security is a watered down version of the "first best" solution, and is probably not even the second best. And yet, it is hard to endorse the position that we must either have all or nothing. The way matters stand, the current proposal seeks to provide foodgrain cover to around 75 per cent of the very poor in the country, in both rural and urban areas. It is far from certain that even this will be attempted with sincerity and without corrupt elements having a field day. No less significantly, the public distribution network has been all but obliterated. To get it going in the right spirit calls for close supervision as well as expenditure, and will be among the key challenges before the government.

Source URL:

<http://www.deccanchronicle.com/dc-comment/food-security-start-now-improve-later-950>

28 Oct, 2010, 07.50AM IST, Prabha Jagannathan,ET Bureau

Pulses: Still short of need but set to pull down global prices

NEW DELHI: India's import of pulses could drop by about a million tonnes next year, with good rains and higher purchase prices announced by the government promising to boost production.

The projected increase in pulses crop in the world's largest consumer this year could trigger a fall in global prices of pulses next year, helping the government's efforts to rein in sticky food prices.

While the higher than average pulses crop will not help India break out of the vicious cycle of import dependence, it will pressure large exporters such as Canada, Myanmar, Australia, the US, Ukraine, France, China and Tanzania to peg prices lower.

Pulses have contributed a good deal to the food inflation that stood at 15.53% in early October despite government's efforts to address this politically sensitive issue.

A recent Citigroup report said pulses production is likely to be in the vicinity of 15.7 million tonnes in 2011-12 against a demand of 19.9 million tonnes, necessitating imports of 4.2 million tonnes.

Pulses importers association president KC Bhartiya expects imports to fall to 2 million tonnes from an average of 3 million tonnes over the last few years, as he expects kharif and winter-sown pulses output to increase sharply.

Winter-sown crops account for around 60% of all pulses produced. The sharp 20% pre-season

increase in the government purchase price of Masur and Chana will result in a rise in area under cultivation.

A similar increase for the last kharif season had boosted acreage under pulses by 20 lakh hectares to 110 lakh ha, which is expected to deliver a higher crop output of 6 million tonnes compared to only 4.3 million tonnes in 2009-10 . Another 1 million tonnes increase is expected in the winter crop from additional acreage.

During the festival season last year, prices of urad, chana and arhar shot up phenomenally. Prices remain at the elevated levels, but commodities experts do not see them rising further.

“Demand will rise by 15% in the peak demand season but would calibrate downward once the rabi pulses marketing season begins in March 2011,” said one expert.

The output gains this year may, however, be a temporary phenomenon as unless there are sharp productivity gains, the growth is not sustainable over a period because of limited land availability.

Pulses yield remains abysmally low at around 600 kg a hectare, resulting in per capital availability of pulses dropping alarmingly over the years.

“There is a dire need to develop high yielding varieties of pulses to boost domestic production,” said a commodities analyst with industry body Assocham.

Meanwhile, rising incomes will spur demand, creating further pressure on prices. In the long run, prices could fall in a sustained manner only if domestic production expands to match local demand.

27 Oct, 2010, 01.26PM IST,PTI

Cardamom futures strengthen on firm spot demand

NEW DELHI: Cardamom futures prices rose for the second straight day by adding Rs 20.10 to Rs 890 per kg today, as traders enlarged their positions, driven by rising demand in the spot market on account of festive season.

Restricted arrivals in the spot markets from producing regions in the physical market, too, influenced cardamom futures prices here.

At the Multi Commodity Exchange counter, cardamom for February delivery rose by Rs 20.10, or 2.31 per cent, to Rs 890 per kg, with a business turnover of just one lot.

Similarly, the spice for delivery in November moved up by Rs 10.70, or 1.18 per cent, to Rs 916.10 per kg, with a trade volume of just one lot.

Analysts attributed the rise in cardamom futures prices to rising demand in the spot market for the ongoing festive and marriage season against less arrivals.

Business Standard

Thursday, Oct 28, 2010

Agri commodities rally bypasses India

Dilip Kumar Jha / Mumbai October 28, 2010, 0:10 IST

Agricultural commodities rocketed in markets abroad this month on bullish fundamentals, triggered by a weakening dollar. But in India, they remained range-bound due to measures taken by the government, including timely release of foodgrain, and beginning of harvesting of kharif soybean and corn.



Corn and soybean rose sharply at the Chicago Board of Trade (CBOT). Corn for delivery in December rose 13 per cent to the highest level since September 2008. Rabobank continued its positive view on prices, with risks remaining skewed to the upside. Corn (maize) was at \$5.68 per bushel at CBOT on Wednesday.

Corn fundamentals remained precariously balanced, with continuing production uncertainty in both the US and China, despite significant harvest progress. The odds of another downward revision of yield by the US Department of Agriculture are high. While Chinese import demand is uncertain, the impact of Chinese imports will be significant for both global and US corn balance sheets this season, in what is already shaping up as one of the tightest carry-out stocks on record, the latest Rabobank report says. In the domestic market, however, maize saw a marginal rise of 0.4 per cent (between September 15 and October 15) on NCDEX. Since the October delivery contract expired on the 20th of the month, the near-month contract saw high volatility.

For soybean, prices rallied in overseas markets despite a record US harvest. Even at these elevated levels, there is no sign of demand rationing, while prices have lost ground relative to corn. As a result, there is no sign of relief from the demand-driven rally currently in play. Analysts say further upside potential exists even from these historically high levels. The commodity was trading at \$12.06 a bushel on CBOT on Wednesday, after climbing to a high of \$12.29 a bushel in early trade, the highest for the spot month since August 2009. On NCDEX, it rose 9.45 per cent for October delivery. Rabobank believes global soybean demand conditions remain exceptionally robust and even with prices at current levels, there is no real evidence of demand rationing.

Analysts maintain a neutral view on wheat, with further range-bound trade expected in the coming months. They continue to see relative value in high-quality and high-protein wheat, given an acute tightness globally. Further currency recalibration will be influential in determining export price relativities. However, fundamentals suggest the bulk of exports should shift to the

US until the end of the year, when southern hemisphere supplies begin to make their way into the chain.

Wheat was little changed on CBOT, holding on to strong advances in the previous session, as adverse weather in the US and Australia increased purchase interest. But wheat was steady, shrugging off the dollar's fall, amid continued concerns about the state of US wheat plantings. The commodity for delivery in December was traded at \$6.91 a bushel on Wednesday, little changed after rising 2.6 per cent on Tuesday.

In Delhi, however, wheat dara was trading at Rs 1,265-1,270 per 90 kg. The prices remain range-bound or, rather, have seen a decline in the past few months due to the extra release for both below poverty and above poverty line people at subsidised rates.

Cardamom imports dip 52.6% in April-August

George Joseph / Kochi October 28, 2010, 0:14 IST

Cardamom imports declined 52.6 per cent during April-August this year. Only a meagre quantity of 45 tonnes was imported from Guatemala during the period, according to a press release issued by the Spices Board.



In 2009-10, imports were 95 tonnes compared to 180 tonnes in 2008-09. The reason for this significant fall in imports was the consistent decline in production in Guatemala and the strict vigil at major custom points through which cardamom is imported to India.

The production of cardamom in Guatemala during 2007 was 28,000 tonnes, which declined to 16,500 tonnes in 2009. However, a marginal increase in production was reported in 2010. Production in 2010 is estimated to be around 20,000 tonnes.

In 2007, Guatemala exported 27,961 tonnes of cardamom. In 2008, exports were 21,952 tonnes and 23,693 tonnes in 2009.

Prices dip on high arrivals

With the arrival of cardamom to various auction centres, prices declined sharply, to the utter dismay of the small and medium growers.

The current average price is Rs 710 a kg which was Rs 1,350 a kg three months back. Best quality cardamom now fetches Rs 770 a kg.

Market sources expect further southward movement in prices as plucking of ripe cardamom is in full swing in Idukki district of Kerala. October-December is the peak harvesting season and as the season picks up, market experts expect prices to touch Rs 600 a kg.

Around 100,000, small and medium farmers have no other way but to sell their crop as stocking facilities are limited for them.

Because of its peculiar nature, cardamom cannot be stocked for long as the colour changes which eventually leads to degradation.

During off-season, the price of best quality cardamom touched Rs 1,700 a kg. According to farmers, only large scale growers could take the advantage of the off-season price increase as they have better storage facilities.

After December the market is expected to improve due to poor arrivals and low stock.

ACE bourse starts futures trade in five agri items

Press Trust Of India / New Delhi October 28, 2010, 0:13 IST

Kotak Group-promoted ACE Commodity Exchange on Wednesday kick-started as the country's fifth national commodity bourse with the launch of futures trading in five agricultural items — castor seed, chana, soybean, mustard seed and refined soyoil.

In the opening hour of the trade, futures trading was more active in the December contracts of all five agri-commodities, though the November 2010 and January 2011 contracts were also available for traders.

According to the exchange data, the castor seed contract for December-expiry opened at Rs 3,442 a quintal, chana at Rs 2,440 a quintal, soyabean at Rs 2,244 a quintal, mustard seed at Rs 573 for every 20 kg and refined soy oil at Rs 545.90 for every 10 kg.

At 11 hours, the trade volumes in the December contract of soybean was 144 tonnes, refined soy oil at 76 tonnes, chana at 59 tonnes, castor seed at 60 tonnes and mustard seed at 35 tonnes.

The exchange, which upgraded itself to a national exchange from a regional exchange (Ahmedabad Commodity Exchange), applied with the sector regulator Forward Markets Commission for permission to offer non-agricultural items like crude, gold and bullion.

THE HINDU Business Line

Business Daily from THE HINDU group of publications

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Back 1% crop loan interest for farmers repaying promptly

Cooperatives disburse Rs 2,434 crore loans.

Farmers who borrowed crop loans in 2010-11 are eligible for this benefit

Our Bureau

Bangalore, Oct.27

The State Government has decided to charge just a 1 per cent rate of interest on regular repayment of crop loans borrowed by farmers.

Cooperatives in the State have been offering an interest subsidy of 3 per cent on crop

loans up to Rs 50,000.

All public sector and regional rural banks have been sanctioning crops loans at a rate of 3 per cent.

Farmers who have been regular with repayments would get loans at 1 per cent rate of interest, thanks to the Centre's largesse. The Centre has raised the interest subvention for timely repayment of crop loans from 1 per cent to 2 per cent in the current fiscal year, Minister for Cooperation, Mr Laxman S.Savadi, told mediapersons here on Wednesday. Thus, the effective rate of interest for such farmers will now be 1 per cent per annum. Farmers who borrowed crop loans in 2010-11 are eligible for this benefit, he said.

Recovery

The Minister said the recovery rate of crop loans touched 80 per cent in the State. Cooperatives have already disbursed Rs 2,434 crore crop loans to farmers in this fiscal so far. The Government has set a target to disburse crop loans to the tune of Rs 4,300 crore in 2010-11.

The State Level Bankers' Committee revealed that the State Government has already released Rs 40 crore as advance subsidy under the scheme for reimbursement of interest subsidy claims to public sector banks and regional rural banks. The Karnataka State Insurance Co-operative Society Limited (KSICSL) and private insurer Bharti AXA General Insurance, entered into a tie up for providing group personal accident insurance policy and vehicle loan insurance policy to farmers. The Karnataka State Co-operative Federation Limited initiated the KSICSL.

A farmer who borrowed the crop loan from cooperatives and paid annual premium of Rs 40 is eligible for the personal accident insurance policy. In case the farmer meets with an accidental death, the insurance firm would return the loan amount, and grant Rs 5,000 each for two children for education, Rs 5,000 each for two girls' marriage and Rs 30,000 towards foodgrains and purchase of domestic animals for the farmer's family.

In the case of of Rs 5 lakh borrowed from a cooperative society/bank for the purchase of tractor, the farmer has to a pay annual premium of Rs 1,900. In the case of farmer's death,

his family would get insurance amount of Rs 11.20 lakh, the Minister said. The scheme would cover 13 lakh farmers by March 31, 2011, he said.

Cold storages

The Minister said a decision has been taken to set up four cold storages in Belgaum, Dharwad, Raichur and Bijapur at a cost of Rs 10 crore. The milk unions of respective districts would take up works of cold storages.

As an incentive, a decision was also taken to release Rs 70,000 each to newly formed cooperative milk societies in 114 backward taluks of Karnataka.

So far, only 235 societies had been formed during the last one year. A sum of Rs. 10 crore had been set aside for the purpose.

E-stamping

Mr Savadi said 'e-stamping' facility would be made available in 1,000 district credit cooperatives and urban cooperative banks by March 31, 2011. Now, the facility is available only in 235 cooperatives.

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Back 620 lakh tonnes grains needed for food security

Pawar sees offtake from ration shops rising.

Our Bureau

New Delhi, Oct 27

The Centre will require around 620 lakh tonnes (lt) of foodgrains annually to meet the National Advisory Council's (NAC) recommendations on the proposed Food Security Bill.

This is way above the peak official procurement of 590.67 lt achieved during 2008-09 and 539.75 lt in the recent marketing year.

NAC recommendations

The NAC has sought a legal entitlement of subsidised foodgrains to 75 per cent of the country's population, covering 90 per cent of all rural households and 50 per cent of urban families. The 90 per cent rural households comprises 46 per cent 'priority' (i.e. below poverty line) and 44 per cent 'general' (above poverty line) families, while the 50 per cent urban households includes 28 per cent 'priority' and 22 per cent 'general' families.

According to the NAC recommendations, 'priority' households are to get 35 kg of grain every month, while the monthly entitlement for 'general' households is 20 kg. So, how much would this translate into in terms of aggregate foodgrain requirement.

Ministry's estimate

The Food Ministry's estimate is that the NAC formula would mean covering 9.70 crore 'priority' households – 7.68 crore in rural areas and 2.02 crore in urban areas. At 35 kg/month, the annual grain requirement for this section alone will, then, work out to 407.4 lt. Similarly, to provide 20 kg/month to the 8.90 crore 'general' households (7.35 crore rural and 1.55 crore urban), the Centre would require 213.6 lt.

In all, implementation of the NAC proposal would call for an annual grain requirement of 621 lt. "And this quantity would only be for the targeted public distribution system (PDS). It does not include requirements for other welfare schemes and open market sales or even maintaining a strategic buffer," the Union Food and Agriculture Minister, Mr Sharad Pawar, told the Economic Editors' Conference here on Wednesday.

Mr Pawar made it clear that these projections were based entirely on "what I have read about the (NAC) recommendations in the press". The Ministry, he claimed, had not got any formal communication from the NAC in this regard.

"It will be presumptive on my part to say what shape the Food Security Act will take. However, it is certain that our outgo from the PDS will increase substantially from its current level once the Act is implemented," he added. The annual grain offtake through the TPDS alone has already gone up from a mere 120 lt in 2000-01 to 424 lt during 2009-10.

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Back **Pepper futures firm on good demand, limited supply**

G.K. Nair

Kochi, Oct. 27

Pepper futures despite selling interest shown by investors, moved up on Wednesday on reports of firmer markets in other origins coupled with bullish reports from Europe.

Investors who were interested in selling were said to be uncertain about selling during the course of the trade and this has kept the market highly volatile. There were also no buyers, market sources told Business Line.

Inert markets

Added to this, the rupee was weaker against the dollar bringing down the Indian parity, they said.

There was no activity in the terminal market. However, some good quantities were traded in the primary market by interstate dealers to meet the upcountry demand at Rs 192- 197 a kg, trade sources said.

Meanwhile, overseas reports said all the origins were firm and more demand for the Christmas and New Year was propping up, they said.

November contract on the NCDEX was up by Rs 47 to close at Rs 20,415 a quintal. December and January were up by Rs 5 and Rs 35 respectively to close at Rs 20,669 and Rs 20,806 a quintal.

Total turnover dropped by 5,158 tonnes to 14,797 tonnes. Total open interest dropped by 88 tonnes to 12,694 tonnes.

November open interest moved up by 49 tonnes to 8,943 tonnes. December open interest

fell by 150 tonnes while January was up by one tonne.

Spot prices moved up by Rs 100 on good domestic demand to close at Rs 19,400 (ungarbled) and Rs 19,900 (MG 1) a quintal.

Indian parity in the overseas market declined to \$4,750-4,800 a tonne (c&f) as the rupee was weak against the dollar today.

According to an overseas report, Brazil and Indonesia markets also were firmer.

Prices quoted for black pepper of other origins in dollar per tonne September/October shipments c&f New York were: MG 1 asta – 4,925-5,025; Vietnam asta-4,500 Feb/Mar ; Lampong 500g/l -4,200-4,250 (fob);

Lampong 550g/l – 4,300-4,350 (f.o.b); Lampong asta –4,450 – 4,500 (f.o.b); Sri Lanka 500-525g/l - limited quantity – 4,300-4,350 (f.o.b); BrazilB2 500g/l – 4,100 (f.o.b); Brazil B1 560g/l – 4,200 (f.o.b); Brazil asta – 4,300 (f.o.b) ; Spot MLSV asta – 4,750-4,950 ex warehouse New York/New Jersey.

White pepper prices quoted were Vietnam \$6,850-6,900 and Muntok \$6,600-6,650 both per tonne c&f.

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Back Dharwad varsity develops 2 new rice varieties

Offers 12% higher yields.

The rice varieties have been identified for commercial release in the next agricultural season.

Anil Urs Dharwad, Oct. 27

Scientists at the University of Agricultural Sciences (UAS), Dharwad, have developed two

new varieties of rice — Mugad Siri 1253 and Asha IET 9926.

The new varieties were unveiled at the 16th State level variety evaluation committee meeting held at Dharwad. The rice varieties have been identified for commercial release in the next agricultural season.

“New rice variety — Mugad Siri 1253 offers 12 per cent higher yield compared over BPT 5204 variety. Where as Asha IET 9926 variety offers much higher yields at 17 per cent over Intan varieties,” Dr R.R. Hanchinal, Vice-Chancellor of UAS, Dharwad, told Business Line.

Boon to farmers

Mugad Siri 1253 offer high yield and is said to be a boon to poor rain-fed farmers and is safe for consumers also as it is grown in organic situation. This variety is developed by Dr N.G. Hanumaratti of UAS Dharwad.

This is a fine grained rice variety with cooking quality comparable with BPT- 5204 and has average yield of 48 to 55 quintals/ hectare which accounts for 12 to 15 per cent higher than BPT 5204 in rain-fed drill sown conditions.

“Mugad Siri 1253 has been found to be moderately resistant to blast disease and is ready for harvest one week early compared to other rice varieties. This variety matures in 135 to 140 days; 10 to 12 centimetres tall and has broad leaves and bears more number of grains in panicle (branched cluster of flowers) compared to BPT -5204,” said Dr Hanumaratti.

“At present, many farmers are growing this variety and have accepted it for its superiority for productivity, resistance to blast and for its grain quality,” he added.

Whereas the other variety, Asha IET 9926 is developed by Dr P. Surendra also from UAS Dharwad and is high grain and straw yielding variety. This offers higher yield at about 17 per cent more than Intan variety.

According to Dr Surendra, this new rice variety is suitable for par boiling, puffing and flaking. This new variety (Asha IET 9926) is tolerant to blast, Brown Plant Hopper (BPH) and also multiple pest-resistant.

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Back Ban sought on futures trading in essential commodities

Our Correspondent

Madurai, Oct.27

The Tamil Nadu Chamber of Commerce and Industry has hailed the suggestion of the Tamil Nadu Deputy Chief Minister, Mr M.K. Stalin, to delist essential food commodities such as rice, pulses and edible oil from the futures market to contain rising prices. The suggestion was made at the inaugural meeting of the Working Group on Consumer Affairs held recently at New Delhi.

In a statement, senior president of the Chamber, Mr S. Rethinavelu said futures trading is one of the main reasons for increase in the prices of essential commodities in the country as the highly speculative futures trading is done online without any stock on hand.

Much like trading in shares, people engage in futures trading of commodities without any experience or expertise in their trade. Prices of commodities are artificially jacked up by buying a small quantity at enhanced rates through online trading. After enhancement of their market prices, they dispose their entire stock at magnified prices. Fair market prices of commodities should be determined not by speculation but only through actual demand and supply position.

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<http://www.thehindubusinessline.com/2010/10/28/stories/2010102851632100.htm>

Back Edible oil slips on thin buying

Mumbai, Oct. 27

Palmolein declined by Rs 2 and cotton oil by Re 1/10 kg along with groundnut oil and soya oil due to thin buying interest on the edible oil markets on Wednesday, as arrivals of

indigenous oilseeds such as groundnut, cotton and soyabean increased sharply.

Weak trend in Malaysian and CBOT markets also weighed on the local sentiment.

Sunflower oil and rapeseed oil increased by Rs 5 and Re 1 respectively in the absence of ready availability.

In the spot market, volume was almost zero on Wednesday in the absence of fresh demand.

Malaysia's BMD and NBOT futures: Malaysia's BMD CPO futures closed at November-10, MYR 3040 (3050), December -10 futures closed at 3038 (3047) MYR.

Indore NBOT soya oil futures November-10 declined to Rs 535.10 (Rs 538).

Mumbai commodity exchange spot rate (Rs/10kg): Groundnut oil 750 (750), soya refined oil 518 (518), sunflower expeller refined 600 (595), sunflower refined 660 (655), rapeseed refined oil 580 (579), rapeseed expeller refined 550 (549), cotton refined oil 516 (517) and palmolein was 489 (491).

Sugar steady

Mumbai: Spot sugar rates on the Vashi wholesale market ruled steady on Wednesday, after decline of Rs 25-35 a quintal on Tuesday.

Absence of fresh demand and increased resale, profit-booking and selling pressure of speculators/stockist weighed the sentiment.

According to the Bombay Sugar Merchants Association, spot rates were S-grade: Rs 2,700-2,741 (Rs 2,700-2,741) while M-grade at Rs 2,716-2,791 (Rs 2,720-2,796).

Naka delivery rates were: S-grade: Rs 2,660-2,680 (Rs 2,650-2,680) and M-grade was at Rs 2,700-2,720 (Rs 2,680-2,720).

Chana down

Indore: Chana prices dropped for the second consecutive day on Wednesday on sluggish

demand from pulse and besan mills.

Dollar chana or chickpea with slightly improved export demand on Wednesday gained Rs 50 at Rs 4,300-4,400 a quintal.

Moong quoted at Rs 3,500-3,800, urad (Rs 3,500-3,600), masoor (Rs 3,140) and tur (Rs 3,500) a quintal respectively.

Castor stable

Rajkot: Castor prices ruled stable on strong export demand .

About 900-1000 bags of 50 kg castorseed arrived at various mandis in Gujarat and the price ruled at Rs.700-710 for 20 kg.

In Saurashtra, about 100-150 bags arrived and the price was Rs 660-683. In Andhra Pradesh, around 30,000-32,000 bags of castor are arriving every day.

Turmeric gains

Erode: Turmeric prices in the spot market increased over Rs 250 a quintal , taking cues from the futures market where the rates increased Rs 500. On the Erode Turmeric Merchants sales yard, finger variety was sold at Rs 9,989- 1,4215 a quintal and the root variety fetched Rs 9,099-1,4089.

Uptrend in rice

Karnal: With some demand emanating for aromatic rice varieties in the market, prices of the varieties witnessed an uptrend on Wednesday.

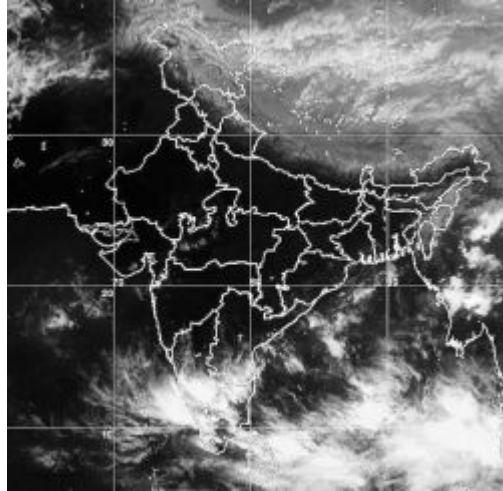
Prices of Pusa-1121 steam (new) ruled around Rs 5,000 a quintal while the old Pusa-1121 steam ruled at Rs 5,100-5,200 and Pusa-1121 sela (new) ruled around Rs 4,100 whereas the old variety was around Rs 4,200-4,300.

Pusa-1121 raw (new) ruled at Rs 5,000-5,100 a quintal while the old variety was quoted at Rs 5,150. Pusa (sela) quoted around Rs 3,200 a quintal and Pusa (raw) at Rs 4,050.

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Back North-East monsoon gathers force



Vinson Kurian

Thiruvananthapuram, Oct. 27

An intense high-pressure area (anticyclone) has dug in deep over South-East Asia compressing the north-easterly flows along its southern flank into an intensive band as they head for the Andaman Sea.

In fact, the Thai Met Department has spoken about a strengthening North-East monsoon current across southern Thailand and the upper Gulf of Thailand over the next five days.

MONSOON TROUGH

The area of northeast monsoon influence is joined to the immediate west with the monsoon trough over the Andaman Sea, which would bring heavy to very heavy falls over these regions.

This is exactly the timeline within which India Meteorological Department (IMD) expects the northeast monsoon to unveil along the Tamil Nadu coast.

It has maintained the watch for commencement of northeast monsoon rains over Tamil Nadu and adjoining Peninsular India around Friday.

The European Centre for Medium-Range Weather Forecasts (ECMWF) has retained the watch for weak low-pressure area washing over along the North Tamil Nadu coast to scale up rainfall.

'LOW' NEXT WEEK

A full-fledged 'low' has been forecast by Tuesday (Nov 5), which some models suggest could intensify over East-central Bay of Bengal.

There is, however, no consensus on the track it might take, since a progressively activating East Indian Ocean could force the system to digress from its path and head south-southeast and away from Tamil Nadu coast.

In any case, fairly widespread rain or thundershowers has been forecast over Tamil Nadu, Coastal Andhra Pradesh, Kerala and Andaman and Nicobar Islands during the weekend.

It would be scattered over Rayalaseema, South Karnataka and Lakshadweep.

Extended outlook until Monday (November 1) spoke about the possibility of fairly widespread rainfall over Orissa, Chhattisgarh, Andhra Pradesh, Tamil Nadu, Kerala and Andaman and Nicobar Islands.

Meanwhile, Peninsular India has been witnessing some heralding weather already, with fairly widespread rain being reported from Coastal Karnataka during the 24 hours ending Wednesday morning.

It was scattered over Tamil Nadu, South Interior Karnataka and the Andaman and Nicobar Islands while being isolated over Coastal Andhra Pradesh and Kerala.

The ruling weather system continued to be the upper air cyclonic circulation over West-central Bay of Bengal, generating cloudiness over the region.

An Insat cloud imagery in the afternoon showed the presence of convective (rain-

producing) clouds over parts of South Bay of Bengal, Andaman Sea, Southeast Arabian Sea, South Coastal Andhra Pradesh, South Karnataka and North Kerala.

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Back Cardamom imports down to a trickle

Our Bureau

Kochi, Oct. 27

Cardamom imports are on the decline as production uncertainty continues to grip Guatemala. Import of cardamom has been declining consistently, and only a meagre 45 tonnes have been imported between April and August. Imports have fallen from 875 tonnes in 2007-08 to 180 tonnes in 2008-09 and further to 95 tonnes in 2009-10, the Spices Board said.

The fall in imports was accompanied by falling production in Guatemala. The production from the Latin American country was 28,000 tonnes in 2007, which had come down to 16,500 tonnes in 2009. However, a marginal increase to 20,000 tonnes has been reported this year.

Backed by a good harvest, Guatemala exported 27,961 tonnes of cardamom in 2007 and 21,952 tonnes in 2008. With adequate stocks in hand, the country was able to export 23,693 tonnes in 2009, substantially higher than its production. Between January-August this year, the country exported 12,261 tonnes, which is a decline of 4,000 tonnes from the corresponding period of last year. The sharp fall in exports from Guatemala is an indication of the depleted stocks available in the country, sources Spices Board said.

exports

India's cardamom exports had touched an all-time high of 1,975 tonnes valued at Rs 165.7 crore in 2009-10. The biggest consumer was Saudi Arabia accounting for 57 per cent of Indian exports at 1,120 tonnes. The previous highest export recorded was in 2000-01,

when the country exported 1,545 tonnes. However, the value realisation was only Rs 84.68 crore, mainly due to surplus in the international markets and low prices. In the current year, India has exported 205 tonnes valued at Rs 25.36 crore.

India's cardamom production is expected to marginally increase over last year's levels and touch 10,350 tonnes.

The strong price trends witnessed last year are expected to persist into this year as well as Guatemala production is expected to slump, and its inventories are reportedly on the decline. Also, the stocks available in some of the major producing countries such as Saudi Arabia are also reportedly low.

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Back Kerala to source coir yarn from TN

Our Bureau

Kochi, Oct 27

The export-oriented production sector of the coir industry in Kerala has decided to source additional quantities of coir yarn from Tamil Nadu to meet its growing raw material shortage. The decision to this effect was taken at a high level meeting presided over by Mr V.S. Vijayaraghavan, Chairman, Coir Board.

The meeting was convened to discuss and finalise remedial measures to redress the problems faced by the coir industry, particularly the scarcity of coir fibre and yarn.

The meeting decided to have a dialogue between the officials of the Coir Department of the Kerala Government and the representatives of Tamil Nadu Industries Department early next month in Kochi, to arrive at an agreement on the supply of coir yarn to Kerala.

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Back Plum biz

– Kamal Narang



Apricots aplenty: Street vendors sell dried apricots in Leh. Prices range from Rs 100 to 200 a kg. The fruit is also available in processed form as jams and oil at shops.

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